

Friday, 7 October 2022



PEOPLE & CHANGE WORKFORCE UPDATE

Purpose of report: To provide the up to date position on the key workforce challenges facing the organisation and how the People & Change Service is working to help address and mitigate these challenges. In addition, the report gives a progress update on previous queries raised by the Select Committee and aims to give clarity on current actions and programmes of work being undertaken to address specific areas of concern.

Introduction:

1. The key workforce challenges facing the organisation broadly fit into four focus areas:
 - a) Recruitment and Retention of talent
 - b) Pay & Reward
 - c) Leadership, Progression and Performance Management
 - d) Culture, Values and Equalities, Diversity and Inclusion

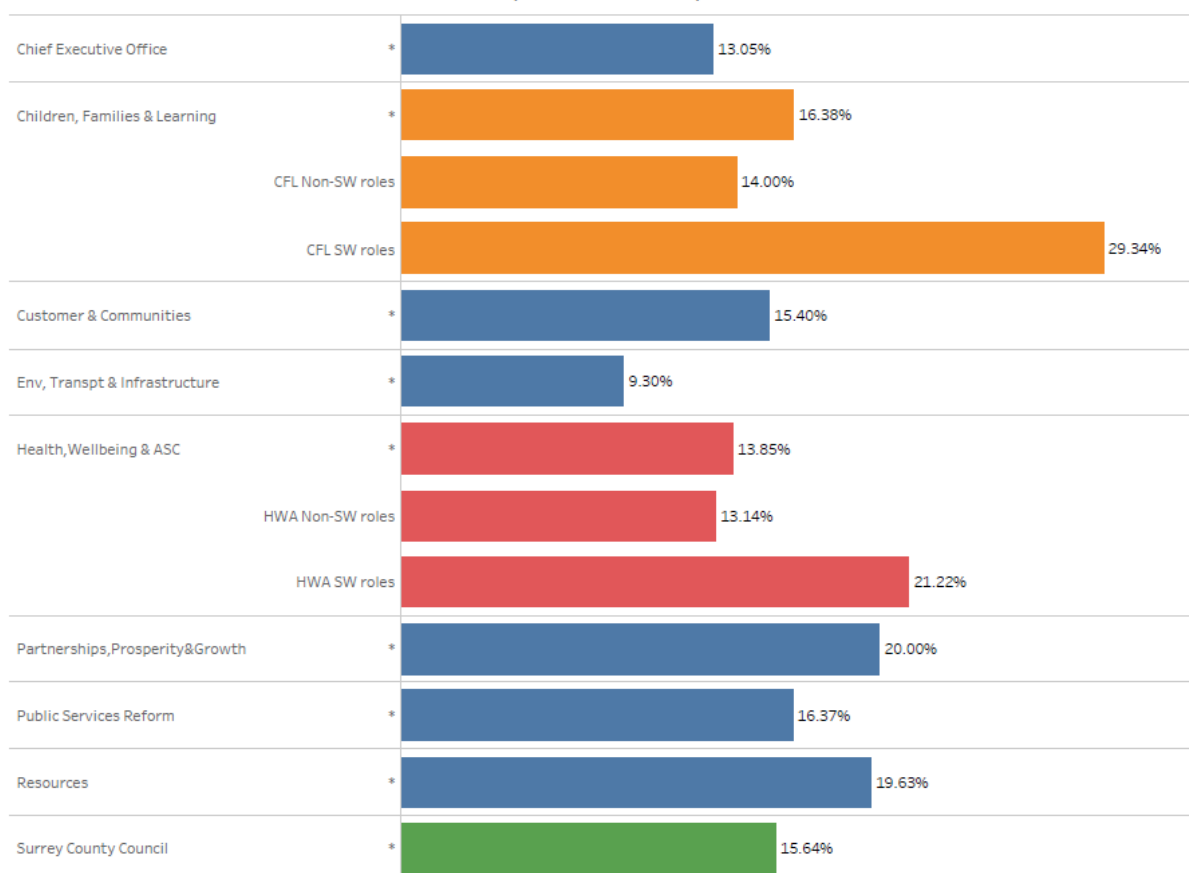
This report will aim to answer the questions raised by Members of the Resources and Performance Select Committee, categorised under the four focus areas

a. Recruitment and Retention of Talent

2. There is a shortage of high-quality candidates applying for specialist roles across the Council, social workers for example. This is a national issue and is being addressed through creative recruitment campaigns, particularly through social media channels (see Annex 1), as well as more active recruitment campaigns focusing on temporary recruitment to close the gap in the short term. More detail is set out below.
3. Different advertising methods have been created to extend the reach of traditional advertising (see Annex 1). The way we create job adverts varies depending on the role. We offer a range of different techniques with a more human focused approach, matching 'hard to fill' roles with targeted campaigns. Rather than working with external companies to do this, we work closely with our job board providers to stay at the forefront of best practice. e.g. How to write a job advert | Guardian Recruiters (theguardian.com)

4. Attracting candidates through the 'No one left behind' message and using social value to promote local government work.
5. In addition, relationships are being consolidated and work explored to attract different routes into the organisation through youth networks and other organisations, such as Sight for Surrey.
6. The Recruitment Team have undergone a restructure in order to provide focus on areas of the hiring process which are the most time consuming, with two new recruits starting in September 2022.
7. A new streamlined process in the e-recruitment system with automated referencing was piloted in Children's Families and Lifelong Learning for two months and has now been rolled out across the council. This should shorten the time it takes to onboard successful candidates into the organisation.
8. The introduction of the Unit 4 My Surrey system will provide a more efficient process for onboarding and payroll set up.
9. A recruitment dashboard is being developed, so that time to hire is clearly trackable along with other key performance indicators, such as number of Curriculum Vitae's (CV'S) submitted versus successful hires. This means we can better track and report on our progress. We know the length of time to recruit and onboard can have a negative impact on successful recruitment
10. An increase in turnover of staff caused by the impact of the Covid pandemic, cost of living pressures and the general recruitment market being very buoyant is also giving rise to increased pressure on staff in some of our critical front-line services. Turnover is being monitored monthly in each Directorate and by key frontline teams. (See table below for latest turnover rates)
11. Directorates have action plans in place to address the root causes of staff leaving with a new exit interview process to give qualitative data to tailor the response. Immediate interventions such as wellbeing programmes are being put in place as well as more medium- and longer-term programmes such as creating a more inclusive working environment which we know has a positive impact on retention and our pay and reward strategy. Further detail about what this involves is also set out in the section that responds to the specific questions raised by the committee.

Voluntary Turnover - 12 months to 31/07/2022
(excludes bank staff)



The above table provides the context of where the voluntary turnover has increased particularly with regards to the SCC average illustrated in green. The overall turnover for SCC, in green, has increased from 14.8 per cent at the end of April to 15.6 per cent at the end of July. The colour coding in the chart serves purely to distinguish between the different lines and is not a Red/Amber/Green rating.

a) Pay and Reward

The cost of living crisis is impacting areas of the workforce and will continue to put pressure on those in lower paid roles, particularly.

12. A range of initiatives are already available to employees, including a benefits scheme, supermarket savings and vouchers for discounts at other retail and leisure outlets. Our benefits are under review and a new supplier will be sought in 2023.
13. New benefits are being explored to retain staff and to attract potential candidates, such as a day off on your birthday, time off for carers and foster carers, as well as enhanced pay for high performers.

14. A Financial Wellbeing Service has been procured to support staff through the cost of living challenges and to help staff plan ahead to address any winter-specific challenges.
15. Pay options for 2023/2024 are being modelled and will be shared with People, Performance and Development Committee, (PPDC), once finalised.
16. The Former Deputy Leader, Becky Rush, has written to Her Majesty's Revenue and Customs (HMRC) to review the 45p/mile non-taxable limit for business travel, (Annex 2), as recommended by the Resources and Performance Select Committee in April 2022. A follow up letter will be written by the new Cabinet Member for Finance and Resources, Ayesha Azad in October 2022.
17. In addition, the Local Government Association (LGA) announced on 13 July 2022 that they would be lobbying HMRC on behalf of Local Authorities. There has been no response provided from HMRC to date.

c) Leadership, Talent and Performance Management

18. We are working with Directorates and Services to understand what skills are needed for the future and where the current talent and skills gaps are. This is a complex area of work and requires a tailored approach.
19. We have already identified that we need more progression opportunities and mobility across the council for high achievers and those who may wish to work across a number of different services.
20. We are also focused on creating a systemic standard for managing and improving talent, developing careers and succession planning as we know this impacts staff retention. Quarterly Performance conversations that explore talent and succession planning need to be embedded into the annual cycle of one-to-one meetings between line managers and their direct reports.
21. We are also working on approaches to convert young applicants for roles into permanent hires and developing their skills, particularly in hard to fill roles. Part of this work will be to support hiring managers to develop candidates into a role, rather than requiring them to be fully qualified at the outset. This can help to address those hard to find and attract roles where, developing someone into a role will lead to greater engagement from a candidate and lead to better retention.

d) Culture, Values and Equality, Diversity and Inclusion

22. Creating further clarity and visibility about the culture of the organisation and its values and behaviours will help recruit and attract staff. This is being addressed through a new organisational Strategic Framework which aims to provide clarity on the philosophy of the leadership and the expectations around high performance and talent development.

- The Service are producing a business plan to set out to the organisation how it can support the development of the culture and help improve staff retention through talent management and career progression. This will be easily accessible and improve access to the service offer.
- High quality workforce dashboards (covering absence, turnover, staffing spend and vacancies etc.) are being rolled out across Directorates on a quarterly basis for discussion within the Leadership teams. Areas of concern are given additional focus through 'deep dive' investigations carried out by a cross-cutting team within the service.
- Listening and engaging with staff and acting on feedback has significant positive impact on organisational culture and staff retention. Quarterly Pulse Surveys provide insights in terms of staff feedback and issues at a council and directorate level. Directorate level results are shared with the Leadership teams and action plans are developed to respond to areas of concern.
- Where an issue has been highlighted by a Directorate, workshops and focus groups are held to engage with staff to collaboratively agree solutions. This has proved successful in Land & Property, for example.
- Staff networks are key engagement fora where specific issues are highlighted and solutions proposed. An example of this is the introduction of the Reasonable Adjustment Service. Update on Progress and Previous Recommendations from Select Committee

Answers to specific queries from the committee are set out below and grouped by theme:

a) Recruitment and Retention

23. There are opportunities to use Members' networks to promote working for Surrey in terms of attracting talent into the organisation. In addition, the use of Social Media platforms such as LinkedIn where it would be beneficial for Members to promote the work of the Council to their online networks.
24. Exit survey data is being scrutinised monthly at service level to identify trends and areas of specific focus. The survey data is still in its early stages, so it is recommended that once there is a sufficient body of evidence that can highlight any hotspots, this will be shared with the committee. This will provide further insights into why people are leaving the organisation.
25. Work is currently being carried out to analyse the free text box within the Recruitment system which asks the question 'Why come to the organisation'? The feedback from this analysis will be shared with committee once it has been collated.

26. Performance conversations are promoted to all line managers where the 'why stay' question is asked in terms of progression opportunities and development in order to progress. More work needs to be done to address areas where we know there are fewer performance conversations taking place and therefore, less opportunities for progression.

- A 'Surrey Video' is being scoped to showcase different roles within the organisation and the work of the council generally to attract people to the broad range of roles available. In addition, a video is being produced to specifically target Key Stage 3 and Key Stage 4 children on how to start a career at the council. The programme will be launched in September 2022 with support from the Association of Learning Providers in Surrey (ALPS).
Current videos that are being promoted represent the following areas of the council:
 - Surrey Fire and Rescue
 - Environment, Transport and Infrastructure (ETI)
 - Health, Wellbeing & Adult's Social Care (ASC)
 - Children, Families & Lifelong Learning
 - Customers & Communities
 - Resources

- Recruitment are working with the Surrey Coalition of Disabled People and Sight for Surrey to deliver an Inclusive Recruitment campaign to develop a fairer selection process and support hiring managers with updated guidance and training which facilitates more inclusive recruitment. In addition, our Reasonable Adjustments Service is included within our current onboarding service, so successful candidates who may require adjustments to enable them to carry out their role successfully can have a specialist assessment prior to starting and have the adjustments in place on their first day of work. The Disability Staff Network (DENIS) have advised that the introduction of the Reasonable Adjustment Service will contribute to us being an 'Employer of Choice'. We have recently self-assessed the service using a Business Disability tool and scored 86 per cent, which compares favourably with the average assessment score of 60 per cent – 65 per cent. We already have plans in place to address the deficits the assessment identified.

- **Talent & Progression**
 1. In-job interviews are being piloted in Children's Families and Lifelong Learning. The full feedback from these interviews is currently being collated by Service Managers and will be shared once available. The results below show some preliminary findings, which are currently being ratified.

Preliminary results from 49 in-job interviews within the Children's and Lifelong Learning Service show:

2. 84 per cent of employees say they have a good relationship with their line manager.
3. 25 per cent feel that one of the greatest challenges about working for Surrey is the issue around staffing levels.
4. 47 per cent thought the training offer was good.
5. 83 per cent felt their team culture was positive, fun and child-focussed, whilst 25 per cent said they felt under-valued and not trusted by Senior Leaders, corporately.
6. 16 per cent of interviewees had experienced some form of discrimination, 65 per cent had not.
7. One of the highest scores for what would make Surrey a better place to work was 29 per cent asked for more annual leave and sabbatical opportunities.

Work is progressing in specific areas where costs are of particular concern, to look at new roles and structures of services, to enhance productivity, staff and customer experiences and to produce cost efficiencies. e.g. the 'Home to School' services in Children's, Families and Lifelong Learning.

Our new starter surveys are also being reviewed to help us identify what additional requirements are needed to ensure that new staff feel supported.

27. Whilst it is widely acknowledged that there is significant under-reporting when it comes to workforce protected characteristics, we know that there is less representation of minority groups in more senior and leadership roles, particularly when looking at ethnic minority and disability groups. The diversity metric in succession planning and wider talent work, when embedded, will address some of the shortfalls, as more diverse talent is identified lower down the organisation and supported through specific development such as the 'Leading in an Agile Times Programme', for line managers and the encouragement of senior career sponsors for more junior staff through 'Allyships'.

27.1 In addition, our new inclusive recruitment processes, commissioning of inclusive management and leadership programmes and reporting of diversity in leadership roles by directorate are all aimed at addressing the lack of diversity in senior roles.

- Career progression and the feeling of progression opportunities being fair remains static around 50 per cent within the employee survey.

Over 60 per cent of respondents to the new exit survey stated they disagreed or strongly disagreed that there were suitable promotion opportunities for them to apply for. 45 per cent of these however confirmed they had not investigated any potential internal moves within the organisation.

Work underway to address career opportunities and progression includes:

- Career and Talent conversations toolkit to include in the performance management framework. This will provide managers with clear guidance on how they can work with individuals to develop talent profiles and identify ways to build experience and skills they need for future roles
- Succession planning toolkit to widen this activity from senior leadership positions to be accessible across the organisation
- Recruitment of a Talent Programme Manager to lead the focussed work on career progression and talent mobility which are critical to the success of creating fair opportunities across Surrey County Council (SCC) and the wider system. They may undertake some in job interviews with employees to understand the barriers to talent mobility, this would be for project purposes rather than as an ongoing activity.
- Training for inexperienced and more junior staff is currently line managers' responsibility as part of their role in developing their teams. The Career Conversations Toolkit and Early Careers projects such as having a Centralised Model for Career Starter Apprenticeships (with centralised development support), will provide this career progression support alongside the Early Careers Network already in place.
- In other areas, examples of where more junior staff are being supported include working closely with local training providers and SCC's Economic Growth team to ensure our Early Careers projects align to the emerging Surrey Skills plan.
- Creating personal development plans and recording career aspirations are part of quarterly Performance Conversations carried out by the line manager and the employee. Development opportunities at an organisational level are available through the Performance Hub, Leadership Hub and the Learning Management System, 'Olive'. More specific requirements are offered through the Children's Academy, the Adults Learning and Development team and through the training budgeting process, where the People & Change Learning and Development

team work with each directorate to allocate their proportion of the training budget based on service need. This can be a mix of mandatory and non-mandatory training.

Conclusions:

28. A considerable amount of work is being carried out to ensure we attract the right talent and encourage new candidates from a more diverse pool of talent to apply for the wide variety of roles that the organisation offers.

29. In order to retain staff key areas of focus are:

- further fostering an equal, inclusive and diverse culture where staff can bring their whole selves to work
- creating an environment where staff can take responsibility to develop themselves, as well as having constructive performance conversations with their line managers to highlight areas they might be keen to develop.
- creating a more focused approach from line managers to ensure that there are fair opportunities for all employees to progress through the organisation.
- further upskilling line managers so that they have the confidence to engage with their teams in terms of understanding their development and guiding high performers to progress through the organisation.
- further supporting for staff to ensure they are able to perform their roles to the best of their ability through the organisations reward offering, including benefits and financial wellbeing support.

Recommendations:

1. The committee is asked to note the key workforce challenges facing the organisation and the role of the service and the steps being taken to address those issues.
2. The Committee is asked to support the key initiatives highlighted in the report.

Next steps:

The Service will update Committee with the reports that are outstanding above on:

- a. Recruitment time to hire
 - b. Exit Surveys
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c. 'In-job' interviews full report, in Children's Families and Lifelong Learning

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Annexes

People & Change Workforce Update – Annex 1

HMRC Mileage – Annex 2

Sources/background papers

Email from the Chair of the Resources and Performance Select Committee of 15 July, highlighting Members' questions which require responses for the report.
Previous People & Change Update Report dated April 14 2022